

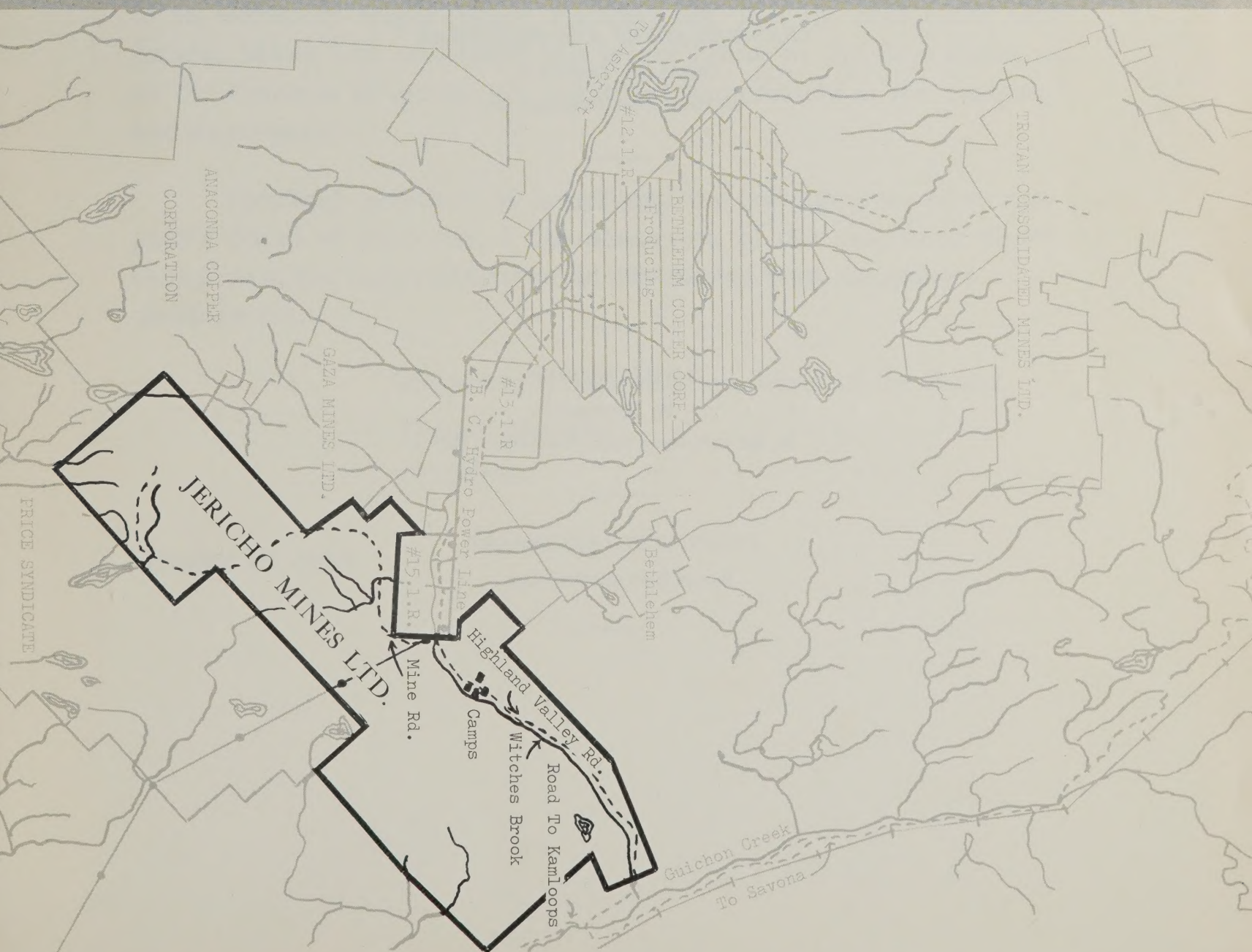
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# JERICH0 MINES LTD.

(N.P.L.)

DEVELOPING A GOOD GRADE COPPER MINE IN THE HIGHLAND VALLEY, B.C.

## Interim Report to Shareholders, October 15, 1964





## BRIEF PROPERTY HISTORY

1955 - 1963

1955 — The engineers of Goldmont Porcupine Mines Ltd., after considerable study of the Highland Valley area, acquired by location the major part of the area now owned by Jericho Mines Ltd. (*See map*). Original claims acquired by location. Three diamond drill holes in the vicinity of Witches Brook.

1955 — Magnetometer survey of sixty claims.

1957-58 — Property optioned to Anson Mines Ltd., a wholly owned subsidiary of Phelps Dodge. Work consisted of prospecting, geological mapping and three diamond drill holes. Surface showing, called Bornite Ridge, discovered on southern limits of property.

1960 — Surface showing, called Halfway Showing, discovered during road construction. Small area tested by Self-Potential.

1961 — Geochemical soil and water testing and Induced Polarization survey on eight claims in the vicinity of the present adit located seven promising anomalies.

1963 — Diamond drilling on eighteen holes to test the strongest of the I.P. survey anomalies indicated commercial ore.

## DEVELOPMENT RESULTS DURING 1964

Underground work was underway at the start of 1964 to follow up on the results of diamond drilling which had been directed to test an induced polarization anomaly. The underground work was originally planned to have an approximate length of 500 feet, but owing to the strength of the structures encountered in the driving, was continued right through the hill for a total distance of 884 feet. Sampling and test drilling from the tunnel indicated two large lens of ore in the north wall parallel to the level. These ore zones have a total length of 600 feet.

On completion of the tunnel a program of diamond drilling, from the surface, was started to further test the ore discovered. To date twenty-five diamond drill holes have been completed to a total core length in excess of 11,000 feet.

As seen on the map the No. 1 zone is approximately 400 feet long and the drilling has indicated widths varying from 3.5 feet to 35 feet and an average grade of 1.5% copper plus smaller amounts of silver and molybdenum.

Drilling is continuing on the No. 2 zone which appears to be, at present, about 200 feet long and about the same grade as the No. 1 zone. The width, length and final grade of this zone will be known as soon as the present drilling is completed.

The No. 3 zone has been indicated by the induced polarization survey and bulldozer stripping has located malachite, copper stain. This zone and two additional anomalies to the west and south of original underground work will be drilled.

## PRESENT AND PROPOSED DEVELOPMENT PROGRAM

At present diamond drilling work is continuing on the No. 2 zone with a second drill started on the No. 3 zone. At the same time a surface program of general prospecting and geological mapping is continuing. Survey work is also underway to locate the best possible site for a new lower level which is planned to test zones No. 1, No. 2 and No. 3 at a depth of 500 feet below the tunnel driven last winter. This lower



level will be about 2,500 feet long and will give access to test the zones by drifting, raises, crosscuts and diamond drilling.

It is important to note this new level could be used as the main haulage level of the mine when production starts. Present plans call for the start of driving on the tunnel as soon as additional diamond drilling is completed. The 2,500 feet of access tunnel is scheduled for completion in the early spring of 1965.

### STRONG TREASURY POSITION

At present the Company has over \$180,000 with which to continue exploration.

In September 18, 1964, Davidson & Co. Ltd., on behalf of Goldmont Porcupine Mines Ltd., placed an additional \$45,000 in the Jericho Treasury through the purchase of 100,000 treasury shares at 45¢ a share. This gave the Company a total of \$198,000 less the accounts payable at August 31st, 1964, of \$17,804, or a net amount of \$180,255. A balance sheet prepared by your auditor, dated August 31st, 1964, shows: cash on hand, \$6,385; accounts receivable, \$5,297; bank deposit receipts, \$80,000; B. C. Government Bonds, \$61,376.

### SUMMARY

The progress to date suggests tonnage for the zones mentioned at approximately 1,000,000 tons to the 400 foot vertical horizon and both zones are open at either end and to depth.

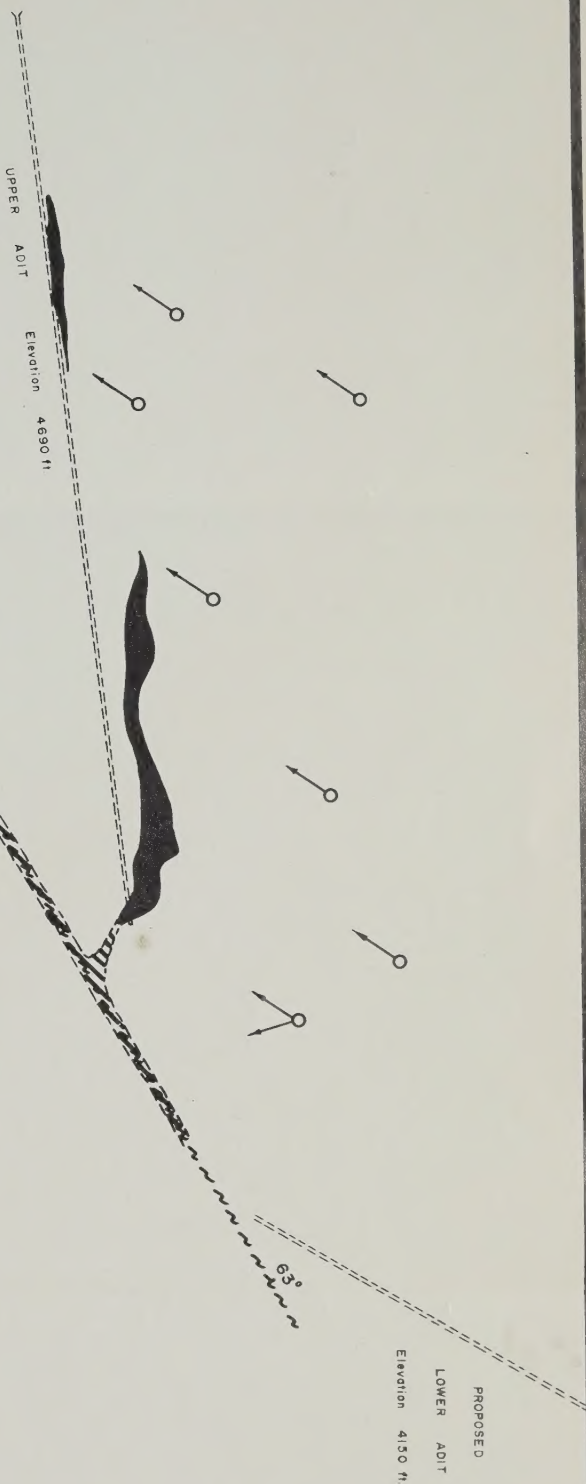
From present knowledge of this large property, numerous other favourable areas exist and are yet to be tested.

Improvements and additions to main camp buildings were completed as well as to the access road. This will take care of any expansion in the present development work.

The financial position of your Company is secure to complete to complete development programs without delay.

Continued interest by Major Mining Corporations is being shown by their discussions and investigation of the Jericho development work.

Shareholders will be kept informed by regular progress reports as work continues.



### ZONE 1

COPPER MINERALIZATION TESTED TO  
400 FOOT DEPTH. STRUCTURE OPEN  
LATERALLY AND DOWNWARD.

### ZONE 2

CURRENTLY BEING DIAMOND DRILLED.  
COPPER MINERALIZATION PRESENT

### ZONE 3

INDUCED POLARIZATION SURVEY ANOMALY

NB. All zones were originally located by I.P. survey.

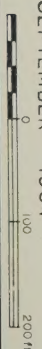
○ → Diamond drill hole 1964

JERICHO MINES LTD.

PLAN of DEVELOPMENT AREA

SEPTEMBER 1964

Scale





34  
30  
11,200  
1 M Fms grading \$11,200 + in approx.

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